



City of Santa Barbara
Airport Department

Meeting: 1/17/18
Agenda Item No. 7

DATE: January 17, 2018
TO: Airport Commission
FROM: Hazel Johns, Airport Director 
SUBJECT: Lease Agreement – Santa Barbara Electronics Supply, LLC

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a two-year Lease Agreement with Santa Barbara Electronics Supply, LLC., a California Limited Liability Company, for 1,930 square feet of Building 312, Suite C, at 1503 Cecil Cook Place, at the Santa Barbara Airport, effective January 1, 2018, and ending December 31, 2019, for an initial monthly rental of \$2,026.50, exclusive of utilities.

DISCUSSION:

The subject Premises is located south of Hollister Avenue in an Airport Facilities (AF) zone. Santa Barbara Electronic Supply, LLC (SBE) is a local company specializing in the sale and supply of electronic parts and cables, as well as electronic equipment repairs. The company assumed tenancy of the space in 2017 under a one-year lease, with the majority of the space classified as warehouse storage. For the next two year lease period, the space use has been more accurately re-designated as an industrial/shop/assembly use. As a result, the rental rate will increase incrementally to reflect market rates for the space use.

The proposed square footage rental rate starts at \$1.05 per square foot and increases by five (5) cents every six months. The current effective rent for the tenant is \$.98 per square foot.

The monthly rent will be stepped as follows:

January – June 2018:	\$2,026.50 (\$1.05 sf)
July – December 2018:	\$2,123.00 (\$1.10 sf)
January – June 2019:	\$2,219.50 (\$1.15 sf)
July – December 2019:	\$2,316.00 (\$1.20 sf)

In addition, Santa Barbara Electronic Supply will pay a proportionate share of common utilities including \$145.87 for electricity, \$23.09, or the metered amount, for water, \$15.39 for sewer, and \$67.50 for Common Area Maintenance services.

The proposed Agreement has been negotiated based upon the criteria set forth in Resolution 93-127, and has been determined to be exempt from environmental review.

PREPARED BY: Business & Property Division

ATTACHMENT: Map

